

TO: Maryland Kidney Disease Program Providers and Submitters

FROM: J. Michael Compton
ECMS Project Manager

RE: HIPAA Contingency Plans- Kidney Disease Program

DATE: October 10, 2003

HIPAA CONTINGENCY PLAN

The Health Insurance Portability and Accountability Act (HIPAA) mandates the standardization of Electronic Data Interchange formats for health care data transmission, including claims, remittance, eligibility, and claim status inquiries. HIPAA also requires that we accept national standard CPT, ICD-9, and HCPCS codes.

The Kidney Disease Program (the Program) has been working with a contractor to deploy a new electronic claims administration system, known as eCMS, which will be web-based and HIPAA compliant. This system will also provide increased functionality for providers with an internet connection to enter and submit claims electronically. Providers, and their billing companies or clearinghouses, should continue to submit all claims on paper until further notice about the activation of eCMS. A notice regarding submitter enrollment and testing via the eCMS web portal will be issued prior to the activation date.

Claims and Remittance Advice

The Program will implement contingency plans to continue to accept and send the current paper claims and remittance advice after the October 16, 2003 Health Insurance Portability and Accountability Act (HIPAA) compliance deadline. Following the Centers for Medicare and Medicaid Services (CMS) lead and announcement concerning Medicare, implementing this plan provides time for the Program to convert operations for the full system implementation for handling paper and electronic transactions. These efforts also provide an opportunity to continue work toward HIPAA compliance while not disrupting a provider's cash flow and operations so that the Program's beneficiaries continue to receive the health care services they need.

The results of our Provider survey that was distributed to each of our providers in August 2003 indicate that a low number of providers are prepared to conduct electronic transactions by October 16th. Implementing the contingency plan allows providers more time to test and successfully implement electronic transactions with the new claims administration system.

The authority to implement this contingency plan of processing non-compliant HIPAA electronic transactions was provided by guidance issued from Health and Human Services (HHS) on July 24, 2003. To achieve the goal and ultimate cost savings of administrative simplification we encourage every provider to continue efforts to implement the HIPAA standard transactions.

Eligibility Verification

The Program is still testing the ANSI ASC X12N 270/271 transactions and they will not be available on October 16, 2003.

Please continue verifying a beneficiary's eligibility by calling 410-767-5000.

Claim Status

The Program is still developing the ANSI ASC X12N 276/277 transactions and they will not be available on October 16, 2003.

For information on claim status, contact the Program at 410-767-5000.

Further updates about our HIPAA compliance efforts can be obtained through the DHMH website at: <http://www.dhmf.state.md.us/hipaa/>.